

BOARD OF MAYOR AND ALDERMEN

December 17, 2002

7:30 PM

Mayor Baines called the meeting to order.

The Clerk called the roll. There were twelve Aldermen present.

Present: Aldermen Gatsas, Guinta, Sysyn, Pinard, O’Neil, Lopez, Shea,
DeVries, Garrity, Smith, Thibault and Forest

Absent: Aldermen Wihby and Osborne

Mayor Baines stated we do have a couple of special presentations before we begin this evening’s meeting. The first one is in honor of a gentleman who has served this community distinction for so many years and it’s a personal privilege to be Mayor of the City at a time that I can honor someone that has been a friend of mine for many years, in fact, he can even remember when I was just a lad too in south Manchester. But, he’s a neighbor, friend and someone who has represented the best of public service in our community. So, it is with that spirit that I am going to offer this proclamation to Robert Jobin.

PROCLAMATION

WHEREAS, Robert Jobin is completing his final term as a member of the Manchester Highway Commission; and

WHEREAS, and during 31 continuous years of service as a Commissioner, he has never missed a single regularly scheduled or special meeting of the Commission; and

WHEREAS, his tenure has been notable not just for its length, but also for the personal qualities that have characterized his service, common sense and kindness; and

WHEREAS, those qualities have been evident in all his many efforts on behalf of our community over the years; and

WHEREAS, his departure from the Commission will leave big shoes to fill;

NOW, THEREFORE, I, Robert A. Baines, by virtue of the authority vested in me as Mayor of the City of Manchester, in the State of New Hampshire, do hereby proclaim today to be

Robert J. Jobin Day

in the City of Manchester.

Mayor Baines asked, Mr. Jobin, would you please come forward with your wife to accept this honor. And, as one final token of appreciation for our great City it’s also our great honor for me to present you with a Key to the City and this Key is presented to Robert J. Jobin in

recognition of 31 years of service to the City of Manchester as a member of the Highway Commission. And, Commissioner, when I present this I tell people, first of all, it doesn't open anything, but it really symbolizes to me the doors of opportunity that have been opened by people like you who have served our community so well. The influence that you've had on many people and the Highway Department, but also I know of your work at St. Theresa's Parish in which he is a legendary member. He and his wife as members of that parish and have done so much for that parish community. By the way, they were married 65 years this past May and they live on the same street that Mrs. Jobin grew up on, so it's really an incredible love story, but also a story of devotion. In fact, Mrs. Jobin started a career in elective politics in her 70's. In fact, my daughter when she was a reporter for the newspaper at Memorial High School actually wrote a profile on her when she campaigned for her first office and she can be seen at the polls on election day helping to organize and I'll tell you she's the one with the most energy, the most enthusiasm and the most commitment I think the people in the City Clerk's Office will attest to that. So, I guess we're really honoring Mr. Jobin tonight, but we're really honoring a team. A team that's meant so much to their family, first of all, but to our community and our neighborhood because they're very important citizens of south Manchester. So, on behalf of the City, Mr. Jobin, it's really a personal honor for me to present you with this Key to the City and I'd like Mr. Thomas to join me in this presentation.

Mr. Jobin stated well, I want to thank everyone. My 31 years of service as a Highway Commissioner were very wonderful years and was happy to serve in the capacity and the Public Works Directors I've served under were all gentlemen and they were well-versed on the City of Manchester and helpful. I want to thank you, Mayor, it's an honor for me to receive this from the City and you and all of the Aldermen and I see some Aldermen who have at one time or another approved my nominations from the Mayor. So, thank you.

Mr. Thomas stated Bob Jobin has been the rock of the Highway Commission for these 31 years. Without Bob to anchor us in place God only knows where we'd be right now. When you stop and think about it as a public citizen Bob Jobin has been involved with projects ranging from the Water Pollution Program the City went through in the 70's spending well over \$150 million for treatment plants, interceptor sewers, he's been involved in some phase of either rehabbing or replacing all of our major bridges in the City of Manchester, involved with the closing of the landfill, just to mention some of the major projects that Bob has been involved with...a type of person like that has been a true benefit to me as Public Works Director and to the other public works directors he's worked for and as the Mayor said he is going to be very, very difficult to replace. And, again, he's been to more meetings than I have over the years. Bob, congratulations and again to the secret weapon that Bob has, his wife, again congratulations...again, it is a team.

Mayor Baines stated I think what we should do this evening is make an official appointment of Mr. Jobin as an Honorary Member of the Highway Commission and insist that he

continue to attend the meetings and offer his advice and counsel. I'll put that in writing too, by the way.

Mayor Baines stated also I'd like to welcome all of you to really another jewel in the crown of the Queen City, this magnificent museum. I had the opportunity to come for the grand-opening probably a couple of months ago now. This is a real tribute to, first of all, this community on the west side. If you learned a little bit about the history and the role of Monsignor Hevey and the Catholic Church and the citizens of this part of the City that started the first credit union in the country, right here in this building on this corner in an effort to reach out to the hard-working men and women of the City to provide them with the opportunity to borrow money, to help them achieve the American Dream. So, in a sense, that movement that reached out to working men and women started right here in the City of Manchester and this magnificent museum is obviously the result of an awful lot of hard work on behalf of everyone that saw it appropriate that the credit union movement be memorialized in this magnificent museum. I'd also like to give a very special tribute to Mr. and Mrs. Armand Lemire who actually donated this property, so this museum could become a reality and many of you know the Lemire Family and how much they've contributed to our community over the years, but to see the pride on the faces of that family that evening and have them in here and reminisce about the times, the different rooms that existed in here and where their grandmother used to live and to hear that whole history was really a truly moving and magnificent experience. So, I think it's important that the community learn about this museum, the students that are in our schools, but the people in our City that recognize how important this credit union movement has been to our entire country and the fact that credit unions from all over the country contributed to help make this museum a reality and now we, in Manchester, have a building that's going to be a destination place for people that come from all over the country. About five or six years ago a friend of mine came up from Maryland and he was very excited about coming to Manchester, not to see me, but to see the site where the first credit union in the country was started, right here in Manchester, New Hampshire and I know he went back with all kinds of pictures well before this museum...I'm going to invite him back up now to see the museum. What I'd like to do now is ask Peggy Powell who's the leader of this fine institution to come up and I'm going to present her with a flag on behalf of the City of Manchester, a City flag so that people will also under the importance of this facility to our City and I'd like to present on behalf of the citizens of the City and the Board of Mayor and Aldermen this flag to hang in this museum and thank you very much for allowing us to have the meeting here and I'd like you to sit down and use the microphone to tell the Board of Mayor and Aldermen and the citizens of the City a little bit about this museum and what it means to our City and our country.

Ms. Powell stated first of all I'm very happy to welcome you tonight and this has been a dream for many people for probably about e8th years. In 1994, the Lemire's actually donated this building to the Foundation which is now the New England Credit Union Heritage Foundation. At that time, the name of the Foundation was SMB for St. Mary's

Bank (obviously) and the dream of the Lemire's and so many of the other directors was to eventually make this into a museum and also an educational facility where we could work with credit unions, work with schools and do some financial literacy programs which is one of the things that we truly hope to do. I'm hoping to staff it with volunteers. I will be moving in here permanently after the first of the year and will have regular hours of Monday, Wednesday and Friday...10:00 to 12:00 and 1:00 to 4:00, so that the public will certainly be invited to see it and I guess I look at this as kind of an extension of the Millyard Museum. The Millyard kind of depicts the working life of so many of the Franco-Americans and other immigrants that came into Manchester and made it one of the top textile cities in the country and it was those people who came up the hill every day from their jobs to visit with Attorney Boivin whose home this was, who agreed to be the first president at Monsignor Hevey's request and they came not only to do...not only was he an attorney, they not only came for legal business, but they also came to do their financial business. I don't know if you are aware but to belong to a credit union is \$5.00 and that has never changed from 1908 and the relation of \$5.00 in our perspective in 2002 is much different than it was in 1908. If we go back to some of the old passbooks which will be out and on display at some point you'll see that a lot of these people deposited \$.25 and \$.50 a week to reach a total of \$5.00 which then made them a member which then meant that they could take out their first loan which I believe was for approximately \$2.00 which was probably a week's pay in those days. So, I think one of the key things about this museum is to, I think, first of all it's certainly a feather in the cap of Manchester to have a national museum here. As Mayor Baines says we do have people coming in from all over the country...actually yesterday I gave a tour to two couples from the State of Iowa who came in. Credit unions are very interested in it, we have received contributions from California to Texas to Florida...all over the country. We're continuing to raise the funds to finish paying for the restoration and I do believe that as Mayor Baines said it is going to be a destination place because we've been very busy so far, the word isn't even out there so much yet about this room and I've had any number of credit union board meetings, manager's meetings, annual meetings and I think that for the City of Manchester it certainly will be an asset and particularly to the west side of which there is much pride.

Mayor Baines stated please just sit there for a minute. Do any Board members have any questions of Peggy or comments or anything at this time?

Alderman Thibault stated just one thing. You brought up the fact that Mr. and Mrs. Armand Lemire donated this building, I just want you to know that as a little boy about 3 or 4 years old I played in the sand with Armand Lemire, right down the bottom of the hill here, he was brought up right here on Marion Street and I was brought up before the Flat Iron District where the bank is today.

Ms. Powell stated I have to tell you I think one of the most wonderful parts of this whole process for me in the last three years was actually the night of the grand-opening on Friday

evening we had the room dedications and to see the face on Armand and Joanne Lemire when we unveiled this dedication sign on the outside of this building is something you never forget and to be a part of making somebody's dream come true is something we don't always have an opportunity to do.

Mayor Baines stated also the next day when we had the open house and the members of the Boivin Family were here...

Ms. Powell stated the Boivin Family...actually, the way we were able to determine what some of the furnishings are in the original rooms which you saw, the four rooms that we're restoring to the original period is Mrs. Brousseau was Gilberte Boivin who grew up in this house. She is now 97 years old and resides in a nursing home in Montreal and she doesn't have many cognizant moments, but she was able to...I worked with her daughter Judy via e-mail for a year-and-a-half and kind of went back-and-forth and sent pictures...well, what about this furniture and what about this wall paper and what about this fabric and between the two of us we came up with the fact that it was mission style and what the furnishings were and kind of the colors that were involved. I had not met Judy. Judy and her family came to the opening and I guess my sense was that we were going to know how really, truly good a job we did when we saw the reaction of the family and she cried through the whole four rooms, so I think we did really well.

Mayor Baines stated they were talking about the piano and the sheet music, it was magnificent, it's really one of the nicest things I've gotten to do as Mayor.

Ms. Powell stated one of the unfortunate things is that there are so few things left from the family. We do have some original sheet music and the jardiniere and some of those things, but hopefully as times goes on we'll be able to find at least some replication of what they had. There's a clock that's supposed to hang in the entry foyer, in the receiving hall and there were four siblings here and we've yet to come to a consensus of what the clock looked like, so we're waiting.

Mayor Baines asked what is the name of the group you named, the jardinieres. I thought you mentioned a performing group on the sheet music.

Ms. Powell replied no, that is some of the original sheet music, it dates back to 1899 and 1900 that you'll see on the piano. So, I'm most happy to welcome you here tonight. I think that my Board has worked very hard and the people involved in it have worked very hard and it's an honor for me to be able to share it with you.

Mayor Baines stated it's an honor for me to be in a position to be able to share this gem with all of the citizens of our City and the Board of Mayor and Aldermen, so we urge the people

of the City to come visit. Again, the hours will be 10:00 to 12:00 and 1:00 to 4:00 Monday, Wednesday and Friday...starting when?

Ms. Powell replied I would say after the New Year, after the Holidays.

Mayors Baines stated thank you very much and thank you for being such a great host to us this evening as well.

CONSENT AGENDA

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

Informational – to be Received and Filed

- B.** Copies of minutes of the Mayor's Utility Coordination Committee meeting held on November 20, 2002.
- C.** Copies of minutes of an MTA Commission meeting held October 28, 2002 and copies of the Financial and Ridership Reports for the month of October 2002.
- D.** Communication from Jeff Taylor, Chair of the Design Committee for PLAN NH advising of their seeking three communities to work with in 2003 relating to design assistance for local projects.

REFERRALS TO COMMITTEES

COMMITTEE ON FINANCE

E. Resolutions:

“Amending the 2003 Community Improvement Program, authorizing and appropriating funds in the amount of Nineteen Thousand Two Hundred Fifty Dollars (\$19,250) for the 2003 CIP 215803, Air Quality Related Health Services.”

“Amending the 2003 Community Improvement Program, authorizing, appropriating and transferring funds in the amount of Ten Thousand Dollars (\$10,000) for the 2003 CIP 612603, Bethel Court Hazardous Materials Remediation.”

“Amending the FY2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Five Thousand Dollars (\$5,000.00) for FY2003 CIP 810303 – Community Development Initiatives Program.”

REPORTS OF COMMITTEES

COMMITTEE ON COMMUNITY IMPROVEMENT

- F.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$19,250 (State) for the 2003 CIP 215803, Air Quality Related Health Services, and for such purpose a resolution and budget authorization has been submitted.
- G.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$10,000 (Affordable Housing Trust Fund) for the 2003 CIP 612603, Bethel Court Hazardous Materials Remediation, and for such purpose a resolution and budget authorization has been submitted.
- H.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of Five Thousand Dollars (\$5,000.00) for FY2003 CIP 810303 – Community Development Initiatives Program, and for such purpose a resolution and budget authorization has been submitted.
- I.** Recommending that a request for CIP project extensions through June 30, 2003, as enclosed herein, be granted and approved.
- J.** Recommending that a request for a sewer abatement for property located at 101 Crestview Road be granted and approved in the amount of \$193.75. The Committee notes that such amount was recommended to be abated by the Environmental Protection Division of the Highway Department.
- K.** Recommending that a request from Atty. J. Alexander MacMartin, Jr. representing 480 Lake Properties, LLC who own property located at 480-482 Lake Avenue and 408 Milton Street to have the City absorb an outstanding waste water charge in the amount of \$1,572.27 or seek payment from the responsible party, be denied.

COMMITTEE ON TRAFFIC/PUBLIC SAFETY

- L.** Recommending that regulations governing standing, stopping, parking and operation of vehicles be adopted and put into effect when duly advertised and posted.

SPECIAL COMMITTEE ON AIRPORT ACTIVITIES

- M.** Recommending that the Airport Director be allowed to submit two legislative titles as follows:

“Legislation Relative to Manchester Airport’s Assumption of Land Use Regulation Oversight Within the Airport District”; and

“Legislation Relative to the Establishment of a Committee to Study Manchester Airport’s Assumption of Public Safety Services in the Airport District.”

HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN O'NEIL, DULY SECONDED BY ALDERMAN SHEA, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.

- A. Copy of a communication from the Finance Officer to Alderman Lopez providing information concerning the Verizon Wireless Arena Parking Reserve Fund.

Alderman Lopez stated as the Aldermen know, but for the public, this has to do with the Parking Reserve Fund and the letter that the Finance Officer directed to me of which all Aldermen have a copy. The way I understand the original document is that \$325,000 was supposed to be put into a Parking Reserve Fund at the opening of the Civic Center and other parts...if that didn't happen then proceeds from the capital campaign conducted by the Manchester Chamber of Commerce and the Manchester Development Corporation or third the advertising. I think in the letter that I received from the Finance Officer that the campaign should be directed at Skip Ashooh and Ray Pinard. I believe that there needs to be some answers to this so that it satisfies the agreement and I think I would very much like to ask questions that need to be answered as to what the Naming Rights are and I understand that it's confidential, but I think the Aldermen should know and I've been offered by Attorney Clark to visit it and talk about the Naming Rights but I would like to move this item to the Special Committee on the Civic Center to review this to make sure that the best interests of the City was served.

Alderman Shea duly seconded the motion.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

4. Mayor Baines presented the following nominations:

Art Commission

Grace Freije to succeed herself, term to expire December 1, 2005.

Alderman Thibault moved to suspend the rules and confirm the nomination of Grace Freije to succeed herself as a member of the Art Commission, term to expire December 1, 2005.

Alderman Sysyn duly seconded the motion. There being none opposed, the motion carried.

Highway Commission

Peter Favreau to succeed Robert Jobin, term to expire January 16, 2006.

Mayor Baines noted per Rules of the Board this nomination will be held over until the next meeting of the Board.

On motion of Alderman Guinta, duly seconded by Alderman O’Neil, it was voted to recess the regular meeting to allow the Committee on Finance to meet.

The Mayor called the meeting back to order.

OTHER BUSINESS

7. A report of the Committee on Finance was presented recommending that Resolutions:

“Amending the 2003 Community Improvement Program, authorizing and appropriating funds in the amount of Nineteen Thousand Two Hundred Fifty Dollars (\$19,250) for the 2003 CIP 215803, Air Quality Related Health Services.”

“Amending the 2003 Community Improvement Program, authorizing, appropriating and transferring funds in the amount of Ten Thousand Dollars (\$10,000) for the 2003 CIP 612603, Bethel Court Hazardous Materials Remediation.”

“Amending the FY2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Five Thousand Dollars (\$5,000.00) for FY2003 CIP 810303 – Community Development Initiatives Program.”

ought to pass and be enrolled.

Alderman O’Neil moved to accept, receive and adopt the report of the Committee on Finance. Alderman DeVries duly seconded the motion.

Alderman Gatsas stated can somebody explain what that Hazardous Materials is on Bethel Court, please?

Mr. MacKenzie stated if the Board remembers Bethel Court was purchased by the City in the long-term for use by the Library. In the near term, the City wished that it be utilized for affordable housing. There is a need to review the building, the Manchester Housing and Redevelopment Authority is going to assist us...\$2,200 would be basically a full survey, environmental site assessment for the building. We don’t know the budget to remediate any type of lead paint or others, but there was an estimated balance we put in of \$8,000 to do that.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

8. Communication from Kevin Dillon, Airport Director, seeking authorization to accept transfer of an old road right-of-way from the State to the City noting this will correct an oversight and allow the Airport to lease approximately 4.8 acres across from the Post Office located on Goffs Falls Road to AutoFair for storage of approximately 600 new vehicles.

Alderman Thibault voted to accept the conveyance of the old road right-of-way from the State to the City by quit claim deed, subject to the review and approval of the City Solicitor. Alderman Pinard duly seconded the motion. There being none opposed, the motion carried.

- 9.** Communication from Ron Ludwig, Director of Parks, Recreation & Cemetery submitting a retirement request for Paul E. Houle.

On motion of Alderman Smith, duly seconded by Alderman DeVries, it was voted to accept Mr. Houle's retirement request as submitted with regrets and with many good wishes from the City of Manchester and gratitude for his many years of service.

- 10.** Communication from Robin Comstock, President & CEO of the Chamber of Commerce, requesting the City's input on how best to utilize the new Chamber logo on road signs, city vehicles, maps, etc.

On motion of Alderman O'Neil, duly seconded by Alderman Thibault, it was voted to refer Ms. Comstock's communication to the Committees on Community Improvement and Traffic/Public Safety.

- 11.** Assignment and assumption of debt of Riverfront Park Foundation, Inc. to 6 to 4 to 3, LLC.

- 12.** Termination of Lease and Development Agreement with Riverfront Park Foundation, Inc. as assigned.

Mayor Baines advised items 11 and 12 have been withdrawn, we had anticipated having the information to finalize these agreements this evening, we do not at this time, so they are being withdrawn from consideration this evening.

Alderman O'Neil stated I know you've been trying to keep this moving as best you can, but there is any message this Board can vote on or a consensus to give you a little backing that we need to move on this...this is the next step in order for things to proceed.

Mayor Baines replied I think a message from the Board that there's a sense of... I don't know the word to use...the urgencies, but there is a certain, a compelling interest in the Riverfront Foundation to move forward expeditiously to resolve all of the remaining issues.

Alderman O'Neil moved that the Board advise the Riverfront Park Foundation that there is a compelling interest to move forward to resolve outstanding issues. Alderman Pinard duly seconded the motion.

Alderman Gatsas stated I certainly don't have a problem with giving the Mayor some leeway, but when we start talking about \$100 million deals and about LLC's that are unfunded and about \$100 million deals for moving properties in the City and not even a committee looking at it, maybe soon these meetings might last only five minutes and we can go do phone polls and not even worry about anything having to go to a committee, I just think that it's an agreement that this Board should be looking at, that this Board should be voting on and again as I had asked the developers about personal guarantees if we're going to do about a \$100 million deal here somebody has to guarantee something. So, until we see something I don't feel comfortable about letting anything go forward.

Mayor Baines stated I don't think we're asking that anything go forward at all this evening, it's just to try and get the Riverfront Foundation in front of us with some matters that are not resolved.

Alderman O'Neil stated that was my understanding, your Honor. I think we all thought that the Riverfront Park Foundation portion of the deal which was the very first step would be able to move along very quickly and there seems to be some...in my opinion, some hesitation on their part and there can't be a Step 2, 3, 4, 5, 6 or 7 with Step 1 happening first and in no way by this small portion being approved at some point in the near future does that mean that the whole deal goes forward. It's one of 7, 8 maybe more steps involved in this process, but I actually thought that the deal with them would be something that would happen very quickly and they would embrace it with open arms, to be honest with you. So, I think we just need to give you some support in your discussions with them.

Mayor Baines stated we really don't need a motion or anything this evening, just the fact that we need some encouragement to proceed because I agree with Alderman Gatsas that there has to be the scrutiny but we need to get the issues before the Board for due and careful deliberations and that's all we're trying to do with this.

Alderman Guinta asked what is the current motion on the floor?

Deputy Clerk Johnson replied the motion is that the Board advise the Riverfront Park Foundation that there is a compelling interest to move forward to resolve outstanding issues.

Alderman Guinta stated so we're going to vote to say we compel you to move forward.

Mayor Baines stated we're not compelling them.

Alderman Guinta stated compelling the Riverfront Park Foundation to move on this.

Deputy Clerk Johnson stated my understanding is that the City is trying to indicate that there is the compelling interest that they move forward and resolve the outstanding issues. It's compelling to the City, not Riverfront.

Alderman Guinta stated to me it seems like the motion is unnecessary.

Mayor Baines stated I would suggest that the Aldermen withdraw their motions.

Alderman O'Neil stated I will withdraw my motion, however, this is certainly one issue...they owe the City some money, this gets them out of owing the City that money and I actually thought this would be a simple deal and for some reason it's taken a lot longer than I thought it would, but I'd like to see this thing move along and I don't know why there isn't an interest by them to resolve this.

Mayor Baines stated I think it's a matter of getting all of the people together which is a part of it and there's also an issue with the stage, so we just want to try and get it moved along so it can get the due consideration at the Board level.

Alderman Pinard withdrew his second to the motion.

Alderman Shea stated my understanding is that the people who are going to develop the riverfront are willing to pay so much money to the City for the amount of money that the people who initially were running Singer Park, is that my understanding, is that correct, your Honor.

Mr. Clougherty replied in essence that is correct.

Alderman Shea stated that's a large sum of money. Obviously, Singer Park was obligated to the City for that amount of money so to me it seems like a fairly comfortable arrangement. We're going to get so much money back from them in order to recoup some of the money that they owe us. Instead of Mr. A. paying us what they owe us Mr. B has agreed to pay Mr. C (us) the amount of money that is due us.

Mayor Baines interjected I follow that.

Alderman Shea stated I don't want to mention parties specifically, but that's what it amounts to.

Alderman Lopez stated the only comment I would make is that the process would move a lot faster if this did go to committee and if the City Solicitor would tell us what the fine details are in the contract, so that we completely understand. Had we received this document tonight...I'm sure it's more than one page...I think the process would be for it to go to a

committee real fast and I'm sure any committee could do a special meeting and Tom Clark (after reviewing it) could give at least the legal aspects of it because I just don't want us to be or myself, approving something and then later on find out that I approved something that maybe I shouldn't have approved. What legal obligations...if we approve this and even if we get our money back what legal obligations are there for the Riverfront Foundation to proceed.

Alderman O'Neil stated it may make some sense and I have not had this discussion with you to form a special committee as we did with the arena which helped iron out a lot of these things out, I think that committee proved very successful and why don't you and I over the next day or two talk about it and we can probably set something up.

Mayor Baines stated I think that's a good suggestion.

Alderman Gatsas stated maybe the Planning Director can help me. Are there any federal funds that are tied to the Singer Park deal that we may have some problems with?

Mr. MacKenzie replied there were no funds to my knowledge related to the Riverfront Park Foundation and at the present time, as I understand the financing package, there's no federal funds tied to the proposed project.

Alderman Gatsas stated so none of the funds that we've provided to Singer Park in any way are City funds...the bandstand or anything like that never came from any federal funds.

Mr. MacKenzie replied correct.

13. Discussion relative to the parking garage contract which expired December 7, 2002.

Alderman O'Neil stated I asked some time ago and I happen to bring my file on it for some information with regard to the \$150,000 that supposedly was guaranteed to the City. I, do date, have not received anything on that. In my opinion, it might have been talked about at meetings, but there is apparently no paper trail with regard to it. As a matter of fact, the minutes of the meeting when the gentleman from Republic Parking actually indicates they never made an agreement on the \$150,000, so I think there's been some good discussion with regard to operations of the parking garage, we can always do better. I think there have been some discussions about what to do with meters, with lots, etc. and my suggestion would be that we extend the contract with the current vendor and put together a plan as to how we are going to address Downtown parking as a package and not individually in the garages, on the streets, in the lots and I would put that in the form of a motion.

Alderman Thibault duly seconded the motion.

Alderman Thibault stated the only thing I'd like to bring up is that in Lands and Buildings we had decided that we probably should sell the garages. But, after looking at the whole situation if there was a fee increase in the garages and I think Alderman O'Neil is probably right on target, if in fact the City would not lose the amount of money it was losing on these garages before, I think it would satisfy what the committee is trying to do here, so I would go along with that on that basis.

Mayor Baines asked, Mr. Lolicata, what exactly is the situation with Republic now in terms of the situation where we would go out to bid again in the future.

Mr. Lolicata replied since the last meeting nothing has been brought to my attention from Republic or any of them. I don't know if anybody else has been contacting them, but with regard to the \$150,000 I've heard nothing, so you do realize that it has expired December 7th, if the Board wishes me to I will go again and extend this to another month or two months or three months or whatever, but it would be nice to have something going for a little time here so people can start thinking which way to go with this.

Mayor Baines asked how long were we without a contract.

Mr. Lolicata replied from John Wallace until I took over, I've estimated 6.5 to 7 years at one time, it was on good faith and the gentleman...as a matter of fact there's one person left from the old National Garages who is Mr. Waldecker himself and the other person is defunct as of right now, he was under National Garages but he was part of Gerry Bittenbender or something and he did it under good faith with the City of Manchester at that time.

Mayor Baines asked why would it be compelling to enter into a contract since we went 6.5 years or 7 years without a contract.

Mr. Lolicata replied so far, as far as I'm concerned it worked out well. In all honesty, it worked pretty good but you've got to have...the City has to be protected. You have to have these agreements brought up and we found out that it has to be done.

Solicitor Clark stated once it was determined that there wasn't a contract to protect the City's interest and everybody else there should be a contract in place.

Alderman Lopez stated I think it was reported that you had a full committee review the RFP that went out and your committee recommended it unanimously.

Mr. Lolicata stated they all recommended Republic.

Alderman Lopez stated there has been much discussion regarding this subject. I'd like to ask Jay Taylor if he could come up, your Honor. I called you up because the question I want to ask you...I was at the meeting and a lot of questions came up about what was not in the RFP that should have been in the RFP and I was wondering if you would share that viewpoint as to what went wrong and what we should do maybe to solve our dilemma that we have in reference to the parking.

Mr. Taylor replied the first would be to reference my remarks by saying I'm terribly disappointed that I'm not going to be here to help you along, however, I'll get over that quickly. I think Alderman O'Neil is on the right tract here with respect to putting out a comprehensive RFP that would encompass the entire parking operation because it seems to me that trying to manage this thing in two and three pieces is really destined for defeat and to put it out all in one package seems to me to be the way to go, privatize it as best we can, allow the management to run the thing, do the best they can with generating revenue and reducing expenses and take advantage of the expertise of the private company.

Alderman Lopez asked you sit on that committee also, the original committee?

Mr. Taylor replied that interviewed, yes.

Alderman Lopez stated it was recommended that we go with Republic.

Mr. Taylor replied yes.

Alderman Lopez asked do you still hold to that today?

Mr. Taylor replied in my view having listened to the presentations from the three companies, my opinion with Republic's presentation and proposal was far and away better than any of the other two and I believe that was the unanimous consensus of the other members of the committee.

Alderman Gatsas stated can I ask why the RFP wouldn't have gone out because it certainly sounds like to me that the City is the only one at risk for anything in any one of those three contracts because the City is saying whatever your expenses are, we're going to cover them, it doesn't matter what you generate for revenues, if you're short we're going to cover that too...I would think that the City comes in and says give us your best deal, whatever that may be whether it's "X" amount of dollars that company should have something at risk. With nothing at risk they don't have to manage anything. That's a great opportunity. I don't think we would do that in the private sector ever to say to a company okay you do what you need to do, whatever those revenues are, you pay the expenses on it and if there's anything left for us we'll take it. That to me is not a real good contract for the City's behalf. I would think

that we would be sitting there saying okay if you do a good job this is what you get, if you do a bad job you've got to have something at risk.

Mr. Taylor replied my answer to that would be...and I don't disagree with what you're saying, my answer is that I think if we're going to go into a contract with a company it should be done somewhat on the basis of what has been done with SMG with the Arena to the extent that they get a basic management fee for providing whatever services the City and the contractor agree upon, but over and above that that there be some sort of a revenue sharing process so that in the event that they perform over and above the basic contract either generating the City more money or reducing expenses which amounts to the same thing that they should be able to expect to get a piece of that and I think an incentive based contract is probably the way to go here. It seems to me that that would work out to the benefit of both parties and the risk to them is if they don't perform they're out.

Alderman Gatsas asked is there a reason why we didn't do that in the first place?

Mr. Taylor replied I think...Tom can probably speak to that.

Mr. Lolicata stated going way back, even up until now these companies go in there and run businesses for the City. The City was actually running these by ordinances and telling when, where and how to do...that is how the contracts were written up. This other (Republic) was the first to show incentive. But, most companies when they come in will manage for you, take care of the payroll, etc., etc...all these things and they make their profit and they've been doing this for years first on management fees and sometimes on their insurances depending on how they come out. When we went out for RFP's we got three different figures for management fees. We got probably three different figures for insurance. Which is where they make their profit. Because the way it's set up now we're paying for the bills, they're running it for us and their profit is in the line of management and insurance. Yes, this last time Republic was one of the few that came out and said they'd give an incentive fee if they came up with ideas. But, basically, most people come in and say just pay me this management fee and we'll take care of everything for you and that's how they run them. The City has to have some authority in some of these things even when they're making profits on these leases and you're running them by ordinances and telling them how much...you might rescind some ordinances if you want to give the company authority to do otherwise, I guess that is what I'm trying to say to you.

Alderman Gatsas stated they have no risk. The City's at risk for everything. If they can't find an employee for \$10.00 an hour and they've got to pay them \$15.00, so be it, that's what we have to do.

Mr. Lolicata stated especially now you're right and most won't work for under \$9.00 or \$10.00.

Mayor Baines stated the Alderman's point is that that risk is on the City, not on the company that you've given the management to and I think that's a very valid point.

Mr. Lolicata stated right now they're taking the risk as far as all of the hiring, firing and everything; that is there risk.

Mayor Baines stated he's talking financial risk, that's all on the City's side.

Mr. Lolicata stated right; we're paying the bills, that's about all it is.

Mayor Baines stated so if it costs more for labor that responsibly comes to the City, not on the management.

Mr. Lolicata stated you're right, that is exactly how it was written up.

Alderman Gatsas stated so they have no incentive to say we have 100 employees parking in XYZ garage that aren't paying anything. They have no incentive to say we need to rent this at 120% to make up for that revenue loss. So, it doesn't matter. So, I think that the City needs to take a look at this as a business proposition and say we need to have somebody come on board that's willing to take a risk.

Mayor Baines stated I think that would be in designing the RFP and what exactly you're looking for.

Alderman O'Neil stated I think that is why it's important...I have no problem with that philosophy, but we have to be careful about giving them incentives in the garages when they don't control any of the other parking around it and I think that's the importance of why there's been some discussion about an RFP that would include the lots, would include the street parking...I think we need to get as many staff people involved with developing it...Kevin Dillon certainly has experience with parking down at the Airport, I don't know if anyone in the City's written more RFP's than Frank Thomas and just a team effort...take a good, slow, deliberate process to come up with an RFP that's going to be a long-term contract with a parking management company and make sure we cross the T's and dot the I's and what we're really looking for, so that is why my suggestion was extend it a year and spend this next year developing that.

Alderman Gatsas asked why a year?

Alderman O'Neil replied very shortly we're going to be in budget times...I'll go six months, but it's not going to get done in three months. We're going to be in the middle of the budget here very shortly and nothing else goes on in the City while we're in budget discussions.

Mayor Baines stated I'd like to just ask a question since you called upon two people with a lot of expertise in that area. Would six months be enough time to develop an RFP, send it out and get responses back, Mr. Dillon?

Mr. Dillon nodded yes.

Alderman O'Neil stated I would be okay with six months then, your Honor.

Alderman Guinta asked how long would it take to put together an RFP, to send it out and enough for response time?

Mr. Lolicata replied on these RFP's we had three bites and in this particular phase I would say close to four, five or six months just to try and get some good companies...more than three...originally, we started out with 12 back in 1988 and when we sent these out we got three responses.

Alderman Guinta stated the other question I do have is encompassing or including street parking, what exactly does that mean?

Alderman O'Neil replied it could mean that they do the collection of the meters and draw up a plan on what should be metered, what should be just posted, what those time frames are, do a true parking plan for Downtown. I don't think, Alderman Guinta, that the challenge how long it's physically going to take once we put it out in the street and interview and get responses. I think what we really need to take time with is what do we want in it, what do we want included in the RFP, what services are we looking for. I think that is where we'll probably take the most time, in my opinion.

Mr. Dillon stated certainly I would agree that you could process an RFP a lot quicker than six months, we routinely do it with our RFP's at the Airport, but I think the point that Alderman O'Neil is bringing out is a good point. You don't just want to put together an RFP, throw it out on the street before you really understand what it is you're looking to accomplish, so I think there needs to be probably some type of review committee put together to find out exactly what the City is trying to accomplish. Once that's done you'd know what you'd need to incorporate into an RFP and I would happen to agree that six months would be a comfortable time frame.

Alderman Guinta asked, Tom, do cities typically include street parking as an item that is sent out to bid?

Mr. Lolicata replied all the books I have read, most cities take care of their own collections either through Police, their own Traffic, etc. I know of two cases that went out and

privatized and they stole them blind down in Newport, Rhode Island. I would caution you when you start thinking on-street parking, parking meters...there's a lot of money, there's a lot of responsibility involved and it's a different ballgame and that's why I think it's a good idea that we sit down and talk about this.

Alderman Guinta stated I have a concern with street parking going out to bid. I would almost say, at this point, I would oppose that from day one. The idea of trying to achieve greater efficiencies through a broader package to include other sites, I think is appropriate and I think it is appropriate to put together a group of individuals who can come up with an idea. Theoretically would that go to the Traffic Committee for review.

Alderman O'Neil stated I was just going to suggest that that should be part of the motion that the Traffic Committee be the committee involved in the process.

Mayor Baines stated we would get appropriate staff together to come up with some guidelines.

Alderman O'Neil stated I just threw out the on-street...there's probably a dozen other possibilities, but we should talk about everything and anything.

Mayor Baines asked for clarification of the motion on the floor.

Deputy Clerk Johnson replied it has been amended since the original motion. The motion was to extend the current vendor contract for a period of six months and look at parking as a package during that period of time with referral to the Committee on Traffic and various City staff would be involved in the process.

Alderman Gatsas asked right now the parking garages are costing us how much money, what are we losing?

Mr. Lolicata replied we're making a little profit on one of them, but overall you're losing a couple of hundred thousand dollars (Canal) with the debt service included, at Victory we were making a profit but we'll probably lose a little bit there and I couldn't say right now about the Center of NH.

Alderman Gatsas stated so it's costing us \$20,000 a month (roughly), \$15,000 a month and we want to extend a contract for six months that cost us \$90,000 instead of getting an RFP in here quicker...

Mr. Lolicata interjected I think that's quite high, I can't give you an educated guess right now without the debt service and all, I just couldn't do it.

Alderman Gatsas stated forget about the debt service, I don't care about the debt service. I'm talking just about running the garages.

Mr. Lolicata in reference to the running of the garages stated you're paying for it one way or the other because we're the ones that have to pay them, so somebody's got to run it, sure.

Alderman Gatsas stated I understand. So, what is that deficit, how much is that deficit? I'm just wondering why we're taking six months for a situation we're having some financial tough times and not getting an RFP to somebody that says let's do this quickly and you need to take some of the risk.

Mr. Lolicata interjected Victory and Canal roughly \$250,000 to \$300,000.

Alderman O'Neil stated if I recall and I just tried to have a brief conversation with the Finance Officer, if you take the debt service that the City put on the garages in order to fix them up that's now in this mix...if you take the debt service out of the equation they're not losing money. So, the City is the one who voted to do the bond to do improvements to the garages, therefore...

Mayor Baines interjected with all due respect the Canal Street Garage is close, so it would be more of a problem if we didn't fix it up.

Alderman Shea stated it's a very simple process. If we're charging people to park in the garage... \$50.00/month and it's costing us \$70.00/month then we should raise it to \$70.00/month in order to break out even. It makes no sense for the City taxpayers to subsidize people parking Downtown if we're losing as Alderman Gatsas says including the problem with the debt service. So, the simple solution is never mind the RFP's, raise the cost to park in the garages so we do not have to subsidize because of problems that we have with the debt service as well as maintaining the parking attendance and so forth.

Mayor Baines stated the other part of this equation and I think this was some of the arguments related to Republic was the whole marketing piece that might draw attention to the garages, get more people to use the garages and, therefore, raises of that nature might not be necessary because you do have a fine line, I agree with you in principle of pricing parking and us losing our competitive advantage in enticing businesses Downtown. A good part of what we do in our office with Bill is to encourage businesses to come Downtown to occupy these buildings. We have Hampshire Plaza right now about 50% empty because of PSNH moving out and a couple of other businesses moving out. We're also trying to entice businesses into the blocks that we participated in in rehabilitating and part of that equation is the availability of parking, the affordability of parking, so it's a delicate balance. So, what I would suggest is that whatever we decide to do here, part of this piece becomes the marketing piece because we are not doing the job. We're not good at that, it's not out

business about marketing, that's why we're looking at companies that have expertise...how would you market these garages to let people know that they're available at a pretty reasonable cost for different events that are occurring in the City or going out to eat in the City and that's part of this whole equation. Am I correct in that, Tom.

Mr. Lolicata replied that is part of the equation.

Mayor Baines stated not necessarily just to boost the rates up but is to get greater utilization of the garages too.

Alderman Sysyn stated I just wanted to say that it's still cheaper to lease by the month than it would be to park by the day in the garage, that's your selling piece right there, it's cheaper to do a monthly lease at \$60.00, it would cost you over \$80.00/month by the day.

Alderman Guinta stated I agree that we need to take a look at this and put a new RFP out, a new proposal out. Without cutting corners I'd like to try to fast track it a little bit, I'd like it to be an effective RFP and an RFP that's done properly, but I think given the budget situation of the City we should, in all seriousness, do everything we can to try to exercise our ability to reduce costs and moved to amend the motion to reduce it from six months to three months and at that point we can revisit it again if we need additional time.

Alderman Gatsas duly seconded the motion to amend downward to three months.

Alderman O'Neil stated Kevin made the point it could be six months but if the staff could get it done earlier and get it before the committee it could be earlier than six months.

Mayor Baines stated Alderman Guinta's comments are well-taken...as we plan our budget this is something that we should have information on prior to closing out our budget, so I think that his point is well-taken...whether it's three months or four months, but I don't think you can go out as far as six months because we won't have this issue settled before our next budget and I think that's critical. So, I think if the motion to amend were three months and if they could come back to the Board to get it extended an additional month or whatever at least it gives us the flexibility to get this done as soon as possible.

Mayor Baines called for a vote on the motion to amend.

A roll call voted was taken on the motion to amend downward to three months. Aldermen Guinta, Lopez, DeVries and Gatsas voted yea. Aldermen Sysyn, Pinard, O'Neil, Shea, Garrity, Smith, Thibault and Forest voted nay. Aldermen Osborne and Wihby were absent. The motion failed.

Mayor Baines stated the main motion is back on the floor noting I just want to emphasize that we really need to find a way to get this done before we close out the budget. So, if you go with six months on the outside end that does not accomplish that.

Alderman Gatsas moved to amend the current contract to a month-to-month basis as we've been doing for the last six months. Alderman Guinta duly seconded the motion.

Alderman Gatsas stated nobody has told me what the management cost is on these garages. I've heard a \$200,000 number, Kevin says that includes debt service. If we increase fees as Alderman Shea wants does the management company participate in weeklies and fees on their percentage. We're just sitting here doing things to put some band aids where we need tourniquets.

Mr. Clougherty stated again as we've told the Board in the past if you want to make the garages self-sufficient including debt service and operations you would have to take the current rates from \$45.00 and move them up to \$73.00, \$74.00 per month to make them break even. The idea here being presented is to try to bring some type of a comprehensive look at this over the next several months to get this accomplished.

Alderman Gatsas asked, Mr. Clougherty, what are we paying the company currently in a management fee with no risk of any loss, what are we paying that company right now.

Mr. Lolicata replied right now we're at \$15,000/\$17,000...that hasn't changed at all, the insurance part I don't know.

Alderman Gatsas stated we're paying a company some \$17,000/month...

Mr. Lolicata interjected not a year.

Alderman Gatsas stated and they have no risk.

Mr. Lolicata replied actually they have their insurances, they are at risk as far as maintaining the garages and they're at liability for certain things, yes.

Alderman Gatsas stated so if the total operation of the garages is \$1.5 million and there has been no oversight of it and it could have been \$1 million there could have been \$500,000 and \$17,000 just for somebody to hire people and sit there, so we're really spending \$17,000 than we ought to because they're not really doing anything for us other than to collect money in a stand.

Mr. Lolicata stated that is what most of them do, that's how they work.

Mr. Clougherty stated that's why the staff recommended Republic because they had a different approach.

Mayor Baines interjected that is why the Mayor recommended that too.

Alderman Thibault stated I think that we really have to be careful here. If you look back into the last 15 or 20 years that the City has been trying to promote the Downtown one of the things that has attracted some people to move into the Downtown is that the City was willing to give somewhat of a break in the parking fees. I, for one, as Chairman of Lands and Buildings certainly want the fee increased. I don't want to see the City lose \$200,000 or \$300,000 a year. But, couldn't we bring it up to the point that maybe the City is only losing \$75,000 or \$100,000 a year. So, we could raise the fees to \$55.00 and cut at least in half what we're losing now.

Mr. Lolicata stated right now the fees are \$60.00/month.

Alderman Gatsas stated couldn't we stay with the subject because I don't think there's any conversation about raising fees right now.

Mayor Baines stated the issue right now...what was your motion again Alderman Gatsas?

Alderman Gatsas reiterated my motion is to extend on a monthly basis the contract that we have so we can get an RFP out that does not put the City at risk for additional losses.

Mayor Baines called for a vote on the motion to extend the parking management contract on a monthly basis.

A roll call vote was taken. Aldermen Gatsas, Guinta and Lopez voted yea. Aldermen Sysyn, Pinard, O'Neil, Shea, DeVries, Garrity, Smith, Thibault and Forest voted nay. Aldermen Osborne and Wihby were absent. The motion failed.

Alderman Guinta stated I would just like to note that we're not moving forward here. By the two votes we just took here, we're not doing anything to solve this problem and I don't know about the rest of these people on the Board, in this room. I just got my tax bills this month. I got two tax bills and they both went up and I hear from constituents, constituents don't mind paying taxes as long as they're reasonable and we have a plan for an idea here to try to save some money and again it's \$100,000/\$150,000, it's a lot of money and we need to move forward and I don't see any harm in providing a contract extension for three months or on a month-to-month basis which is what we had been doing anyway. We're not telling National to go away. We're looking for new ideas that first and foremost include marketing. Nobody who manages garages at this point markets the garages and we have had several conversations about marketing the City. We had the President of the Chamber here today

talking about branding our City. We need to start looking in a visionary aspect and when we look at Manchester as a Downtown destination and part of that is to market ourselves and we have to understand that managers don't just collect cash, they have to market and I would hope that this Board can understand that. I can see by the vote that minds have not been changed and we need to move forward.

Mayor Baines stated there are always issues going on, I could not agree with you more and that is why this committee met, they made a recommendation, the key thing here is marketing not necessarily raising the prices of parking in the garages, we've just done that and I think there are other ways to get at that but marketing has to be part of the plan and whatever happens here we have to have proposals to us before the budget ends and so I will direct the staff to work with them with the RFP, that we have a certain day to receive it and a certain date to report it out to the Board which is probably going to have to be pretty quick anyway because I can just see us in months and months of discussion again because some people are committed to not changing for whatever the reasons are or I'm not even sure if Republic will participate the next time around. I think I've heard some things about that. So, there's lot of issues at stake here but we have to bring about greater accountability, great efficiencies and we have to make these garages work and you're right on with your comments.

Alderman Shea stated my taxes went up too. So, if my taxes went up and Alderman Guinta's taxes went up and we're subsidizing people because we don't want to raise fees what kind of logic is that, it doesn't make sense to me. We're paying more taxes because people are allowed to park Downtown for less and the more they park Downtown for less the more our taxes increase. So, I can't understand why we can't have...we can talk about RFP's forever and a day, but unless we start charging money for people to park that's going to be reasonable then we're going to have as many RFP's as there are in the world, but we're not solving the problem. You have to start with saying what is a justifiable amount of money for people to park Downtown so that it will not negatively impact the taxes that each one of us on this Board and people in the community are paying right now and unless we do that we are not really starting at a logical point.

Mayor Baines stated the only thing I would add to that is if we could increase utilization of the garages it might not be necessary to raise those fees.

Alderman Shea stated the answer to that, your Honor, the point is that up until this time we really haven't done that and unless we can find ways to do it we will continue to look for ways to do it, so basically until we begin to effectuate a change now in how much money we're bringing in from the parking garages at this stage of the game which is almost a new year, we will not be in a position to properly reduce taxes that the common person has to pay.

Mayor Baines stated when I came into office and we looked at these garages, the fees hadn't been raised in the garages for over a decade we have consistently recommended a systematic increase that would be tied to perhaps the cost of living or something to get the garages into the range they should be. So, we've been trying to push that issue...

Alderman Shea stated if we decided to sell the garages to a private concern the first thing they would do is raise the amount of money they charge for parking. They would say we can't operate these things...

Alderman Lopez stated I agree to the extent and we've never really taken an official vote on selling the garages, but we're offered \$7.5 million for all three, it would take us out of debt of the garages and still end up with about \$3 million. We always say we should listen to the Finance people and I can't speak for the Finance Officer but Randy Sherman has indicated many times "get out of the garage business". We have no business in the garage business, let private enterprise take care of it. But, I do agree with marketing and looking at the contract seven years ago I don't know what these people are doing today and I don't know if by extending it what they're going to do in the next two or three months. I think the committee has made the recommendation, I think that we ought to go forward with their recommendation and if there's a motion on the floor, your Honor, if you want to accept it, I'll make it in the form of a motion to take the committee's recommendation.

Mayor Baines stated there is already a motion on the floor made by Alderman O'Neil.

Alderman Smith stated, Kevin, I think when we did the internal audit in Accounts, I think Kevin Buckley said we were losing roughly \$150,000 not including the debt, is that correct?

Mr. Clougherty replied that sounds correct, Alderman.

Alderman Smith stated if we're losing \$150,000 I can't see why anybody in this room would want to keep the fees at \$56.00 or \$60.00, we're in the business and if we're in the business we should try to utilize it to help out the people parking Downtown but also to help us out with the debt service. I'd just like to say that at the last meeting I voted against the proposition because I thought we were going to save \$150,000, now everybody knows it's a Pandora's box and I'd like to see the motion on the floor pass and continue on for six months. Thank you.

Alderman Guinta stated I just want to address the issue that keeps on coming up with increasing fees. We just increased it from \$56.00 to \$60.00. Now, I was opposed to that increase and I'm opposed to further increases for one reason. You don't fix a mistake of mismanagement by raising fees. What you do is you change management and to include marketing the entity that you're managing, that is simple business practice and this idea of well, we're losing money so we should raise the fees. You can make that argument for every

single entity that the City runs and every department, but if we took that approach your taxes would be double what they are today. You need to start looking at a different way of trying to create revenue and it's marketing, it's not raising fees, it's marketing. You give a new company a chance to earn some money for the City and maybe we can keep the rate at the current rate.

Alderman O'Neil stated with all due respect to my colleagues who are on the other side of the issue with this, it is about fees and unless we want to continue to have the burden on the taxpayers of this City then we should make a motion tonight to raise the monthly fees to \$75.00 because that will take care of that. Secondly, you're going to have the greatest marketing program in the world but when half of Hampshire Plaza is vacant and there's no one to park in the Canal Street Garage right now it doesn't matter how well you market there isn't anyone to use it right now. Let's bring some closure to this tonight and move on and staff get working on it tomorrow.

Alderman Gatsas stated I think that I still haven't gotten my question answered and if Alderman O'Neil can tell me that it makes sense to raise fees when we don't even what we're paying a company to do the work for that doesn't make any sense because we're paying those...and I don't know how many employees they have, let's assume they have 50 and let's assume we're paying them \$1 million, if we can't reduce that to \$250,000 which we reduce what we need to increase the parking fees for then it doesn't make sense for us to look at. I think this is a pretty simple issue that we should not be putting the City at risk for an undetermined amount of money because we don't care, it's not our money, so it doesn't matter. Whether we pay someone \$15.00/hour or we can find somebody to do it for \$10.00, it doesn't matter because the management company hires somebody and we pay them. There's no bottom line risk to them. So, that doesn't make sense. You wouldn't do it with your own money, we should be doing it with taxpayers money. So, can you tell me what we pay these...we must be giving them a check...are they our employees or are they theirs?

Mr. Clougherty replied I don't disagree with you, Alderman. As far as the specifics of what we're paying I just don't have those records here in the building here tonight, we have the information, I just don't have it here tonight. We can certainly compile all of that and make it available to you.

Mayor Baines stated I will assure the Board on both sides of this issue, I'll work with staff to get the RFP out, get it out in a timely manner, so we can deal with this during the budget process and I think we can accomplish both things, but I think the horse is dead.

Mayor Baines called for a vote on the motion to extend the parking management contract an additional six months.

A roll call vote was taken. Aldermen Gatsas, Guinta and Lopez voted nay. Aldermen Sysyn, Pinard, O’Neil, Shea, DeVries, Garrity, Smith, Thibault and Forest voted yea. Aldermen Osborne and Wihby were absent. The motion carried.

Mayor Baines stated I could veto but I am going to work to get these RFP’s done and so we don’t continue to deal with this issue over and over again.

14. Resolutions:

“Amending the 2003 Community Improvement Program, authorizing and appropriating funds in the amount of Nineteen Thousand Two Hundred Fifty Dollars (\$19,250) for the 2003 CIP 215803, Air Quality Related Health Services.”

“Amending the 2003 Community Improvement Program, authorizing, appropriating and transferring funds in the amount of Ten Thousand Dollars (\$10,000) for the 2003 CIP 612603, Bethel Court Hazardous Materials Remediation.”

“Amending the FY2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Five Thousand Dollars (\$5,000.00) for FY2003 CIP 810303 – Community Development Initiatives Program.”

On motion of Alderman O’Neil, duly seconded by Alderman Thibault, it was voted to dispense with the reading by titles only.

Alderman O’Neil moved that the Resolutions pass and be enrolled. Alderman Pinard duly seconded the motion. There being none opposed, the motion carried.

TABLED ITEMS

- 15. Report of the Committee on Lands and Buildings** recommending that a request to approve a proposed formal agreement between the Welfare Department and Manchester Emergency Housing be referred to the full Board without recommendation.
(Tabled 10/01/02)

On motion of Alderman Thibault, duly seconded by Alderman Gatsas, it was voted to remove item 15 from the table for discussion.

Alderman Thibault stated as I understand the report from the City Solicitor and the Manchester Welfare Department has been resolved and Mr. Martineau is here and I would ask that he come forward and inform the Board as it where it now stands.

Commissioner Martineau stated basically what we are trying to do is get an agreement between the Welfare Department and the Manchester Emergency Housing. Before there was no formal lease or whatnot and this way it will formalize it noting it’s a City-owned building,

they're a non-profit organization...what we propose in the lease is to lease them the building for \$1.00/year and then contract with them to run our Homeless Shelter and as you know that is our primary source of referring homeless families in the Manchester Emergency Housing.

Alderman Gatsas stated we tabled this item back in October and you were supposed to supply us with some numbers which is why it was tabled, I made the motion to table because we didn't have numbers

Commissioner Martineau stated the numbers basically was on the contract that we're going to be doing with them. I think what happened is that the discussion centered around the contract that we were going to have with Manchester Emergency Housing and I have a contract here, a basic one that came together...the Chairman of the Manchester Emergency Housing, Al Gagnon is out-of-town, he's not here tonight. Jeff Michelson is the Executive Director for Manchester Emergency Housing. What it is is that we want to get the lease agreement, so before I can get into a contract I have to have a lease agreement which is formalized which is what we're doing here. Now, let me give you some good news. Last month, I spend \$350 in hotels and motels for homeless families. We know this is a difficult time here. In the first five months of this fiscal year I've spent \$6,536.00 to house homeless families. In the same period last year it was \$230,191 was spent. My staff is doing an outstanding job. As a matter of fact, for total benefits last month...in November, we spent \$28,000; that was down from \$36,000 two month's prior to that. So, by maintaining this I believe we can live within our budget. The figures you want I can provide you the contract figures, once we get this agreement we'll have a contract with them to basically operate this shelter.

Alderman Thibault stated I might be wrong, but I believe that the reason this was held up is that the City Solicitor had not yet come up with a proper contract with the Welfare Department in order to get this passed prior to this.

Commissioner Martineau stated it's not the City Solicitor. What happened is a member of the Board of the Manchester Emergency Housing is an attorney (pro bono) and we had met with the City Solicitor, myself, the Chairman of the Manchester Emergency Housing and their attorney and he was supposed to come up with a lease and unfortunately it just got dragged on and on and on and finally we were able to get this formulated so the City Solicitor could review it, so we could get it approved.

Alderman Gatsas stated I remember specifically that I made the motion to table this and the reason why is because we were looking for numbers...I would hope that the City Solicitor that this would have come forward with an agreement or a lease before...it started October 1st, my question is what we were going to pay and where was the budget that was going to be set out, that was the questions that I asked and the reason was you were going to provide us with a sheet that showed us those numbers. I made the motion to table this.

Mayor Baines stated the Clerk will clarify.

Deputy Clerk Johnson stated the report of the committee was tabled on motion of Alderman Thibault, seconded by Alderman Smith originally. When the report was submitted there was no formal agreement submitted with it. Alderman Gatsas, however, did ask that figures be provided and I'm gathering he hasn't received any of those figures, but up until this time the Board did not have an agreement before them to look at because the other attorney had not prepared the document and that was the hold up.

Mayor Baines asked, Mr. Clark, would you advise us somehow on this situation so it may be resolved.

Solicitor Clark stated as you know the City has owned the property that has been used as an emergency shelter for a number of years, it hasn't always been at this present location. When it was originally done back in 1981 a lease was entered into with Manchester Emergency Housing to run the property and also to allow Welfare to place clients there. The Welfare Commissioner at that time was on the Board of the Manchester Emergency Housing. When that property was sold by the City to Grace Episcopal Church the Church bought a separate property for the City and donated it as an exchange and brought it up to speed. However, the Welfare Department at that time allowed the lease to lapse and never brought forward a new one to this Board. When Commissioner Martineau took office it was determined that there was no lease in place and we advised him that the first thing he should do is to legitimize Manchester Emergency Housing maintaining that property by entering into a formal lease with them. The second step is for Commissioner Martineau to introduce or to bring back before this Board the numbers that he will agree to in a contract that will come out of his operating budget to fund the operations of that facility.

Mayor Baines stated the Commissioner had talked to me about these numbers and I hope people take note of that is that what we're doing is the taxpayers money is being saved because proper procedures are being followed, that his day-to-day management at that department and secondly the truly needy are being serviced and I don't want anybody to understand anything different than that and I think that's important. If you go over there and you see the enthusiasm of the people working in that department right now it's really a credit to your leadership and I want to publicly commend you again for that and the truly needy are being served in this community. But, what's not happening is people are not coming to Manchester and inappropriately taking advantage of the taxpayers of this City and I believe that's a result of your management and I am very proud of what you're doing over there.

Commissioner Martineau stated thank you, Mayor, actually it's my staff that's doing this and when the City Solicitor told me that the contract that we were going to go into was going to come out of my line item budget, I do have a preliminary financial statement here and I will

get that to you, I just wanted to finalize it so that it can be approved. But, believe me the Manchester Emergency Housing under the Executive Director is doing an excellent job and like I said that is our primary source of getting homeless families there and that is how we've been able to achieve economies.

Mayor Baines stated I appreciate that too and I've been over there and visited with Jeff and the outstanding job that's he doing.

Alderman Thibault moved to authorize execution of the agreement. Alderman DeVries duly seconded the motion. There being none opposed, the motion carried.

- 16.** Discussion relative to informing Verizon that if an amicable agreement with the City of Manchester regarding payment of bridge repairs is not made Verizon will be notified that they will have to remove their cables from the bridge.
(Tabled 10/15/02)

This item remained tabled.

Alderman Lopez requested an update of item 16.

Mayor Baines stated I did talk to the President of Verizon New Hampshire today and we're going to be setting up a meeting...this was late this afternoon, we talked about a meeting with our risk people, myself and the President of Verizon and his risk people to talk about each other's positions regarding this issue. So, we're continuing the dialogue and that conversation took place this afternoon and the Board will be kept informed as any new developments come forward.

17. NEW BUSINESS

A Report of the Committee on Human Resources/Insurance was presented recommending that all unfilled full-time positions as of December 17, 2002 that have not been authorized must be approved by the Human Resources Committee, after the Human Resources Director has presented her recommendations to the Committee for the remainder of the City's Fiscal Year 2003.

Mayor Baines stated there would have to be an ordinance associated with that and I would hope that the Board would be very cautious about that and I'll address that at Bills on Second Reading.

Alderman O'Neil asked would you prefer there be a discussion this evening.

Mayor Baines replied it's up to the Board. Without a motion on the floor, I think that should be the responsibility of the Chief Executive of the City.

Alderman O'Neil stated I think the system that's been going on so far with your office working with the Human Resources Director and meeting with the departments on a regular basis and having them come in to justify positions has worked. I was here when we went through a similar situation as this and if I recall it slowed government right down to almost a stand still because by the time committee's meeting and report to the full Board and all that, I think the current system has worked and I know you work at it every day on managing the fiscal situation with the City, so I would caution against the policy.

Mayor Baines stated I would just want to remind the Board by working the system and working with the department heads last year we delivered over a \$4 million surplus to the City of Manchester, but this is a referral to Committee and we could have further discussion at committee.

Alderman DeVries moved accept, receive and adopt the report of the Committee on Human Resources/Insurance as presented, including referral to the Committee on Bills on Second Reading for ordinance preparation and technical review. Alderman Lopez duly seconded the motion. There being none opposed, the motion carried.

A second report of the Committee on Human Resources/Insurance was presented advising that it has reviewed and approved ordinance amendment:

“Amending Section 33.46 (H) Entrance Pay Rates of the Code of Ordinances of the City of Manchester.”

and recommends same be referred to the Committee on Bills on Second Reading for technical review.

Alderman Lopez moved to accept the second report of the Committee on Human Resources/Insurance. Alderman DeVries duly seconded the motion. There being none opposed, the motion carried.

Alderman Thibault asked the Clerk to distribute a handout to those present which I will read as follows:

Your Honor and Members of the Board,

Three years ago I brought a proposal before the Board of Mayor and Aldermen that a \$1.00 surcharge be added to all civic center events in order to generate a definite income for the City that would take care of any shortfall that could happen at the civic center. Here we are almost a year and a half after the opening of the center, not collecting.

I just want to take the time to let you know, and members of the Board know, that I, as well as the full Board that passed the center were deceived in the execution of the final contract. When I proposed the \$1.00 surcharge in December of 1999, the Board unanimously referred the amendment to the Civic Center Committee to work out the details so that children's events and non-profit type events could be excluded, or which type of events were to receive a surcharge on the tickets.

In February 2000, the Civic Center Committee looked over an amendment to the contract and Attorney Craig was asked about clarifying the document. Attorney Craig

replied “*I don’t know what it is you are looking at or working from but certainly I will clean it up. I will take the responsibility of getting it done accurately and I will run it by Alderman Thibault to make sure that it does what he intend and then I will send copies to each of the members of the Committee.*” With that explanation and understanding on motion of Alderman O’Neil, seconded by Alderman Pariseau, the Committee voted to approve the amendment to the contract.

Attorney Craig’s statement goes to the record of why I feel we were all deceived. Attorney Craig did speak with me following that meeting, and although I did not pick it up at the time, and that is undoubtedly my mistake, the language was other than what I had proposed. The contract reads the City shall also be entitled to impose a per-ticket surcharge of up to \$1.00 per ticket if economically feasible, and mutually agreed to by Ogden. This was not my motion! This was not the motion made by Alderman Girard when it was referred to the Committee! My motion was that the city charge the \$1.00, and the Committee was asked by the Board to address the details based on a motion made by Alderman Girard at the time.

This is the City’s civic center and we should have been able to institute a surcharge if we saw fit. So, tonight I’m going to ask again to make a motion to add a \$1.00 surcharge to the Civic Center arena and ask for a roll call vote.

Mayor Baines asked, Mr. Clark, could you just respond generally.

Solicitor Clark stated I wasn’t aware this was coming in tonight but the City has a contract with SMG who is the successor of Ogden, the contract states what it states. We can add \$1.00 surcharge to the ticket charges, if it’s economically feasible and agreed to by them.

Mayor Baines stated so even if we voted that tonight unless SMG agreed to it based upon the contract that was ultimately approved by this Board that motion would have no force, am I correct?

Solicitor Clark replied it wouldn’t go into effect until agreed to by SMG.

Mayor Baines stated again I didn’t know this was coming in tonight we could have done more legal research but that’s your ruling.

Alderman Thibault stated the intent of the Board that passed that motion that night, the intent was not to make it based on what Ogden agreed to or not. The motion was made that a \$1.00 surcharge should be added to the ticket. The fact that this was added on and put into the contract, I think that if this went to court the court would suddenly look at the intent of how that motion was made and not so much as how it ended up.

Solicitor Clark stated again I don’t have any of the documents here in front of me, but if I recall correctly Alderman Thibault did bring up the request of having a \$1.00 surcharge. The Board never took a vote on that \$1.00 surcharge instead they referred the idea to the committee, the committee did discuss it. Attorney Craig did bring some language forward which I believe is accurately portrayed here by Alderman Thibault that he’d clean it up. It is my understanding from Attorney Craig and I believe I’ve seen a copy of it that when he went

to that meeting he sent the language to each of the committee members prior to it being included in the contract.

Alderman Thibault stated I just don't feel that it's right, your Honor. I believe that that Board of Mayor and Aldermen was certainly deceived and so was I and I think it just brings up a point that so many of the people that sit on this Board don't trust some of the people that we work with because of these things that happen.

Mayor Baines stated that's kind of a broad statement and I've been working with these people for almost three years and generally I find them very, very trustworthy. Whether something was missed here I don't know if you meant that, but I don't think that's a fair characterization of the people we work with.

Alderman Thibault asked are you saying, your Honor, that you will not accept a motion for me to add a \$1.00 surcharge to the civic center arena.

Mayor Baines replied right now the City Solicitor has basically ruled that this motion would have not validity. If we would like to ask him to research it further and come up with a written opinion that we could take up at the last Board meeting where he actually has a chance to give something other than a reaction then, in fact, we could do something like that but to allow a motion that is contrary to a legal document that was signed by the City would not be appropriate.

Alderman Lopez stated I sat in on some meetings and I think what the problem is here is that Alderman Thibault is absolutely correct here. But, what I think the problem is here...who's in charge here, who's in charge of the civic center, the documents...everytime you ask a question around here...go see Skip Ashooh. Now, I don't know of him on the payroll for the City and I think these little things creep up here and we need to get some direction. Now, I strongly believe that yes we can ask for \$1.00 and understanding that the document that Tom Clark is saying that they have the right to refuse us, but I think a dialogue has to be set down with these people and get some straight answers, so I believe the motion would be in order and moved to amend the original motion.

Mayor Baines stated based upon the contract (whether we agree with it or not)...by the way I would be supportive of that, but the issue is that the motion needs to be just like what you've just worded it as to sit down with SMG to negotiate with them about adding a \$1.00 surcharge.

Alderman Lopez moved to sit down with SMG and negotiate for a \$1.00 surcharge.
Alderman Thibault duly seconded the motion. There being none opposed, the motion carried.

Alderman O'Neil moved to refer Alderman Thibault's communication to the Special Committee on the Civic Center. Alderman Forest duly seconded the motion. There being none opposed, the motion carried.

Alderman Shea stated as you know I was opposed to the civic center's financial arrangements and I think that part of the problem at least from the people that speak to me...their concern is because the tenants of the civic center was not fully understood that they're concerned about the development down at Singer Park will somehow follow the same type of procedure and I have tried to assure them that in this instance we are not following the same course. When one explains about the civic center situation people don't understand it. They don't understand how much money is putting into this project, how much money we are paying for parking fees, how much money we are paying for overtime and so forth. I cannot emphasize enough, your Honor, that we really have to dot every "I" and cross every "T" before we get into this civic center project and I think that Alderman Gatsas keeps asking questions thoughtfully as it were and I think that basically if the same kind of scrutiny were in effect when the civic center came about we would have a wonderful civic center but we wouldn't have to quibble over a \$1.00 surcharge; that would have been in the document so we wouldn't now be trying to come back at SMG who has full veto power over everything and trying to negotiate with them because it wouldn't have been necessary, that's my comment.

Mayor Baines stated there were eight of us that were not here when that occurred.

Alderman Gatsas stated I didn't have the ability to cross every "T" and dot every "I" with the civic center contract but I am certainly trying to give the same scrutiny to what's happening down in the riverbank, so when we sit here and say that the ABC's are pretty simple to follow I'm trying to scrutinize those ABC's to make sure that we have documents and people in place for guarantees when we're talking about millions of dollars.

Mayor Baines stated we appreciate that too. I want to thank every here at this museum, Peggy for welcoming us here and I also want to wish you and all of your family a very joyous and peaceful holiday season as we look forward to another year filled with opportunities and challenges that I believe we can all work together on.

18. Communication from the Chief Negotiator requesting to meet with the Board for a negotiation strategy session.

On motion of Alderman Lopez, duly seconded by Alderman Forest, it was voted to recess the regular meeting to enter into non-public session for RSA 91-A:3 (e) to discuss pending litigation. A roll call vote was taken. Alderman Gatsas, Guinta, Sysyn, Pinard, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault and Forest voted yea. Aldermen Wihby and Osborne were absent.

Within non-public session only the matter of litigation was discussed.

Mayor Baines then called a brief recess for a negotiation strategy session with the Chief Negotiator.

On motion of Alderman Lopez, duly seconded by Alderman Forest, it was voted to re-enter public session.

Alderman O'Neil moved to approve the tentative agreement with the Manchester Association of Fire Supervisors in accordance with the Memorandum from the Chief Negotiator dated November 29, 2002. Alderman DeVries duly seconded the motion. The motion carried with Alderman Shea duly recorded in opposition.

There being no further business to come before the Board, on motion of Alderman DeVries, duly seconded by Alderman Thibault, it was voted to adjourn.

A True Record. Attest.

City Clerk